Claim 4, line 1, delete "or 2";

Claim 5, line 1, delete "or 2";

Claim 6, line 1, delete "or 2";

Claim 28, lines 1 and 2, delete "26, or 27,";

Claim 29, lines 1 and 2, delete "26, or 27,".

Add the following new claims:

--39. The apparatus as set forth in claim 2, wherein the captured digital picture signal is a digital color picture signal.--

--40. The apparatus as set forth in claim 2, wherein the non-inversible encoding process is performed by compressing a digital picture signal corresponding to an orthogonal transforming process and an entropy encoding process.--

--41. The apparatus as set forth in claim 2, wherein the inversible encoding method is performed by registering a pattern of any length of a data stream to a dictionary and outputting a registered number as an encoded output signal when the same pattern takes place.--

--42. The apparatus as set forth in claim 2, wherein said picture processing means converts the first compressed picture data and the second compressed picture data into respective files.--

--43. The apparatus as set forth in claim 42, wherein the second compressing picture data is converted into a GIF (Graphics Interchange Format) file.--

--44. The apparatus as set forth in claim 43,

wherein said picture processing means performs a process for digitizing a digital picture signal and a process for converting the digitized data into an index value of a GIF color table at a time.--

--45. The apparatus as set forth in claim 26,

wherein the captured picture is capable to be converted into a recorded picture having a selected size or a selected number of pixels.--

--46. The apparatus as set forth in claim 27,

wherein the captured picture is capable to be converted into a recorded picture having a selected size or a selected number of pixels.--

--47. The apparatus as set forth in claim 26,

wherein said picture processing means creates a histogram that represents the distribution of the number of pixels of luminance data of the converted picture, detects the maximum value and the minimum value of the histogram, and designates the intermediate value of the maximum value and the minimum value as the threshold value.--

--48. The apparatus as set forth in claim 27,

wherein said picture processing means creates a histogram that represents the distribution of the number of pixels of luminance data of the converted picture, detects the maximum value and the minimum value of the histogram, and